

UNCLASSIFIED

Iraq

Status Report

July 21, 2010



Bureau of Near Eastern Affairs
U.S. Department of State

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HIGHLIGHTS



- Allawi Meets Sadr in Damascus (*POLITICAL*, page 4)
- Cropper Theater Internment Facility (TIF) Transferred to Government of Iraq (*SECURITY*, page 9)
- Oil Symposium Held to Discuss Plans for Increase in Oil Production Capacity (*ECONOMIC*, page 12)
- FM Zebari Attends JCC in Washington, DC (*DIPLOMATIC*, page 16)

POLITICAL – Governance & Legislation

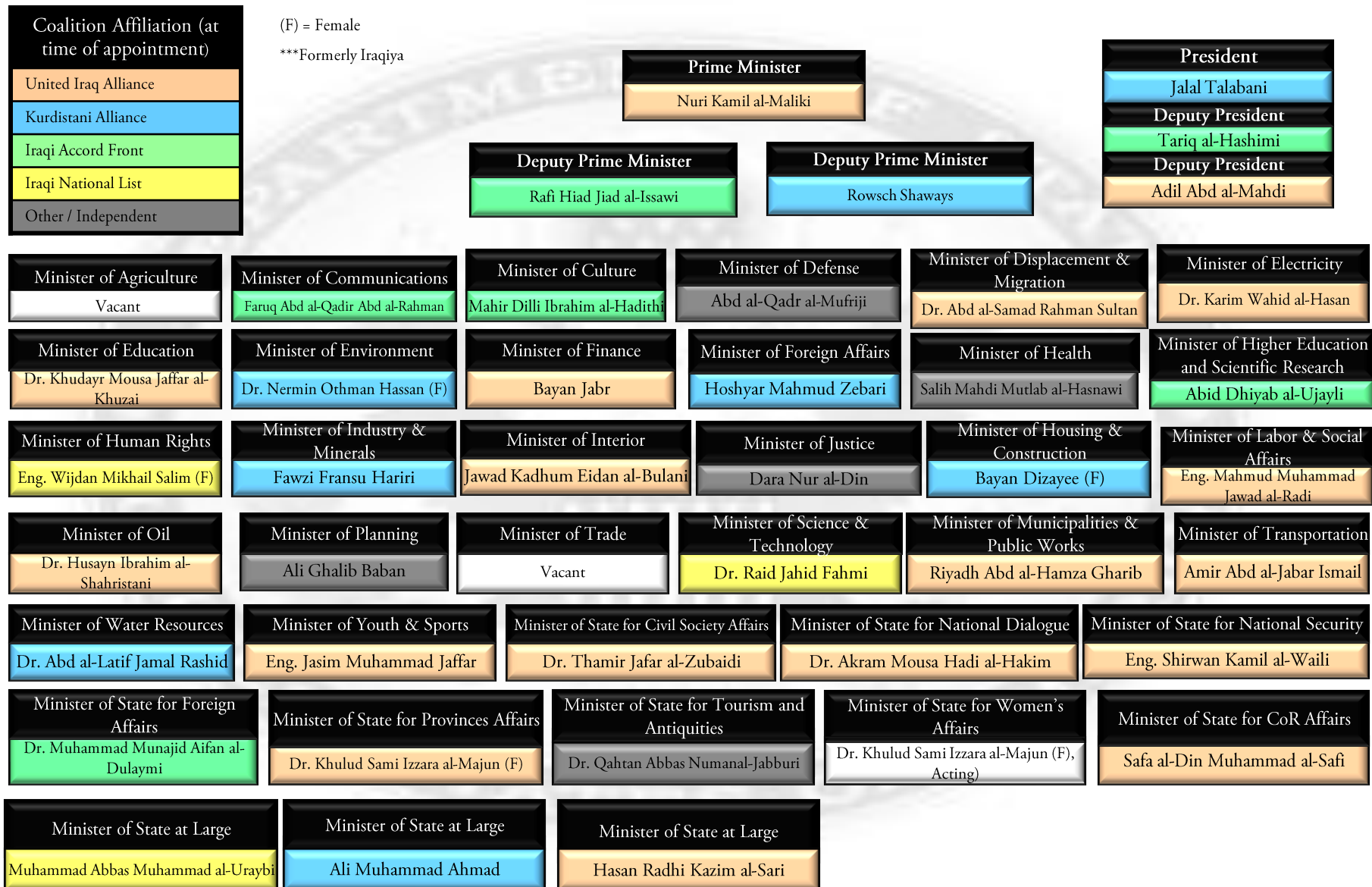


Government formation negotiations continue

Allawi Meets Sadr in Damascus:

- **Former Iraqi Prime Minister Iyad Allawi and the Iraqi Shi'a leader Muqtada al-Sadr met on July 19 in Damascus in an effort to overcome the obstacles to government formation. Allawi also met with Syrian President Bashar al-Assad. In remarks broadcast on Iraqi television following the meeting, Sadr stated "I found a readiness from Iraqiyya to make concessions and I call on State of Law to do the same for the general good and for the Iraqi people."**

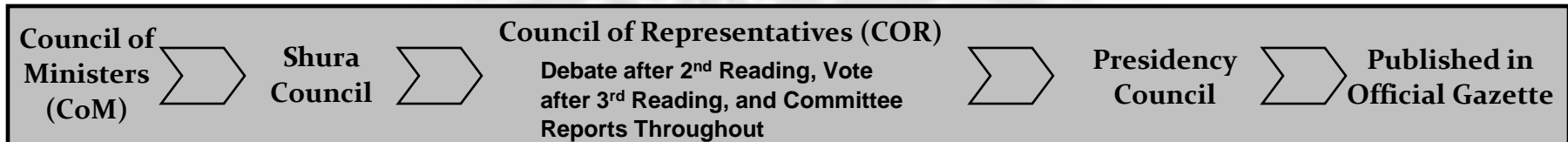
POLITICAL – Government of Iraq





POLITICAL – Key Legislative Issues

Legislative Process



- **Hydrocarbons Package:** The Framework Law was resubmitted to the Oil and Gas Committee on October 26, 2008 and then returned to the Council of Ministers. There has been no progress on the other three laws in the package.
- **NGO Law:** This law, approved March 3, will regulate the operations and funding of Non-Governmental Organizations operating within Iraq.

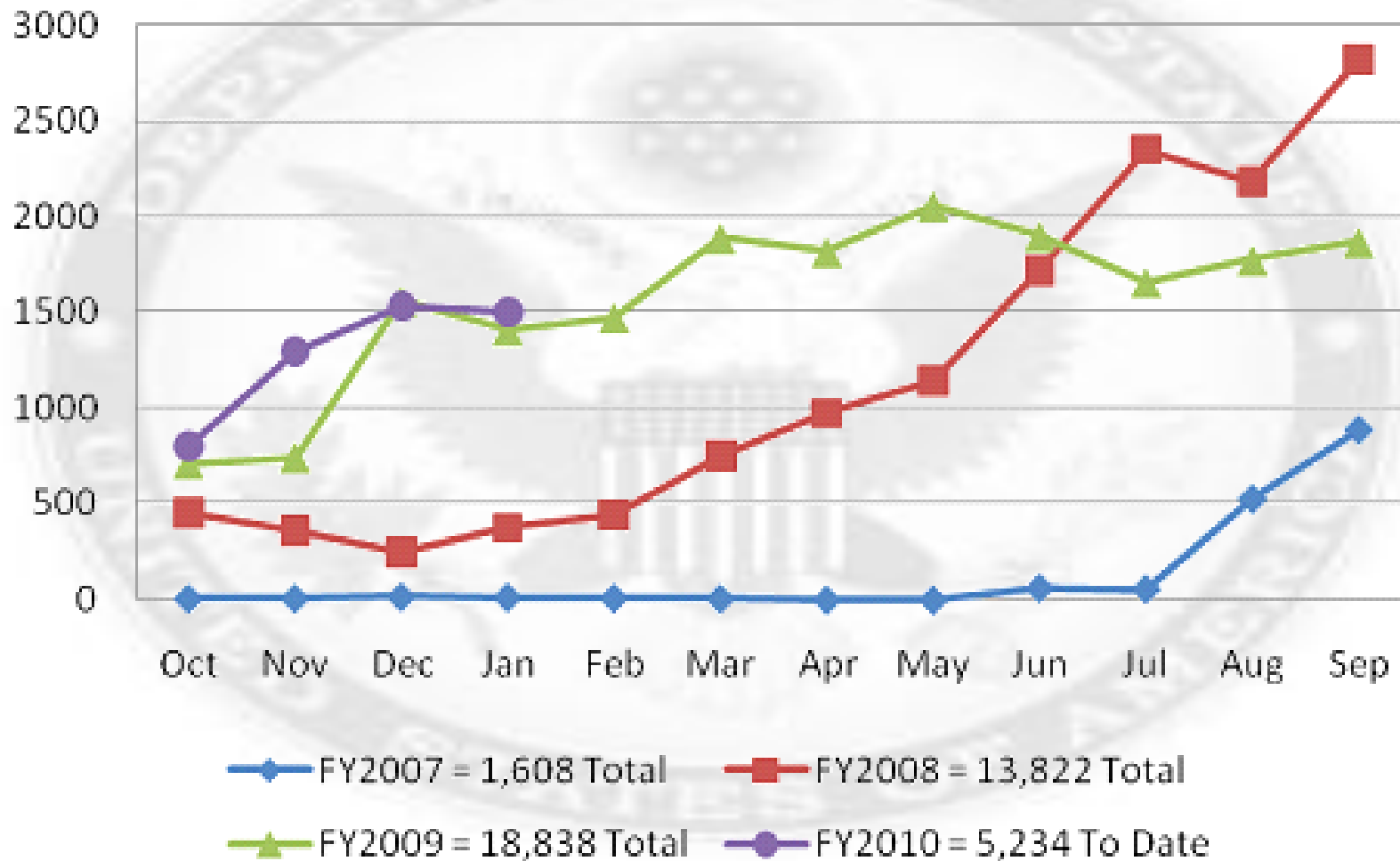
POLITICAL – Refugee Update



- **There are almost 229,000 Iraqi refugees currently registered with the UN High Commissioner for Refugees (UNHCR) in neighboring countries and an undetermined number of unregistered refugees. UNHCR reports that 1.5 million Iraqis remain internally displaced due to sectarian violence following the Samarra Mosque bombing of February 2006.**
- **Since the beginning of 2008, some 464,000 Iraqis have returned to their neighborhoods in Iraq. The majority of the Iraqis returning were internally displaced persons.**
- **In FY09, the U.S. Government contributed \$387 million to international and non-governmental organizations to assist Iraqi refugees, internally displaced, and conflict victims.**
- **Since the program's inception in FY07, 47,841 Iraqi refugees have been admitted to the U.S. for resettlement.**
- **As of September 2009, a total of 1,143 Special Immigrant Visas (SIVs) have been issued for Iraqi translators and interpreters (and their dependents) since FY07 (under the Section 1059 program).**
- **As of September 2009, a total of 1,716 SIVs have been issued for Iraqis employed by the U.S. government (and their dependents) since FY08 (under the Section 1244 program).**

POLITICAL – Refugee Update

Iraqi Admissions to the U.S.





SECURITY – Situation Update

Iraqi authorities assume control of high-level prisoners and U.S. detention center

Cropper Theater Internment Facility (TIF) Transferred to Government of Iraq:

- United States Forces - Iraq (USF-I) transferred its last detention facility, Camp Cropper, to the Government of Iraq (GOI) in a ceremony on July 14 near Baghdad airport. The Iraqi Ministry of Justice will continue to operate the facility under its new name, al-Karkh. The Cropper TIF currently houses approximately 1,500 detainees being held on GOI arrest warrants, detention orders or convictions. The facility has had \$48 million in infrastructure investments, including six detainee compounds, a family visitation center, a dining facility, and a logistics support area for the corrections officers. Contracts totalling \$50.2 million covering services such as power, water, and waste management are already in place to support detention operations through December.

Tariq Aziz and other Saddam-era Officials Transferred to Iraqi Custody:

- As part of the Cropper TIF Transfer, Tariq Aziz, the former Deputy Prime Minister, and 25 other imprisoned officials from the Saddam Hussein regime have been transferred to Iraqi custody. According to government spokesman Ali al-Dabbagh, Saddam Hussein's former secretary Abed Hmoud, the former Interior Minister Mohammed Zumam and former Oil Minister Amir Mohammed Rashid, were among those also transferred. Aziz was sentenced to 15 years in prison in 2009 for murder and also received a seven-year sentence for his role in expelling Kurds from northern Iraq.

SECURITY – Situation Update



Iraqi authorities assume control of high-level prisoners and U.S. detention center

Suicide Bombers Attack Awakening Council Members:

- **Two suicide bombers left at least 48 dead and nearly 50 wounded after two separate attacks on Awakening Council members on July 18. The first attack occurred outside of an Iraqi Army base southwest of Baghdad in Radwaniyah, while Awakening Council members were lined up to receive monthly salaries. An estimated 45 people were killed. Shortly after the first attack, a second one occurred in al-Qaim in which a militant stormed a meeting between Awakening Council leaders and exploded his suicide vest, killing at least three.**

ECONOMIC – Oil



Crude Oil Update:

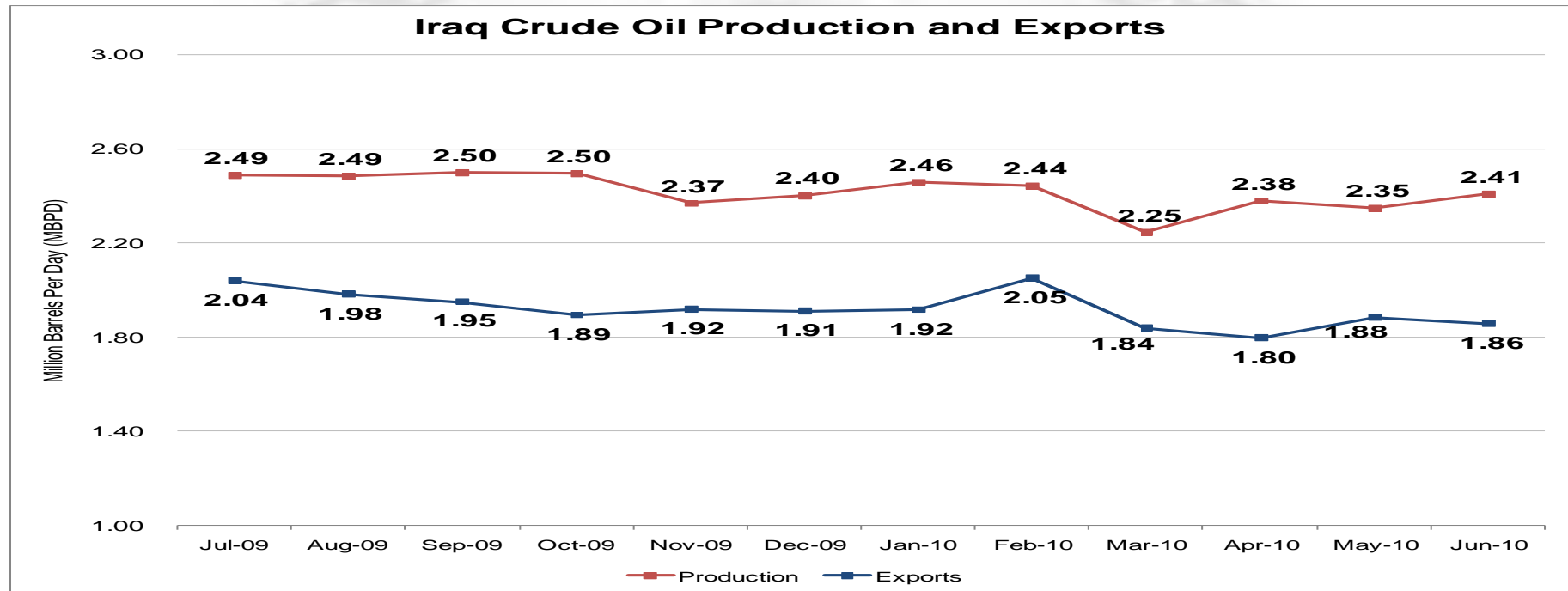
Price averages in world markets closed with the following prices:

Basrah Light at \$73.17/barrel

Dated Brent at \$74.93/barrel

WTI Cushing at \$76.38/barrel

Oman/Dubai at \$73.36/barrel



Note: Y-Axis starting point has been changed from zero to 1.0

Note: Production and Export Data not received for July

Revenue estimates:

2008: \$61.9 Billion

2009: \$39.2 Billion

2010 (ytd): \$25.6 Billion

ECONOMIC – Oil



Oil symposium held to discuss plans to increase Iraq's oil production

Government of Iraq Hosts Symposium on Plans to Expand Iraq's Oil Production:

- Iraq's Ministry of Oil and the Iraqi cabinet's energy committee hosted an international oil symposium on July 18 and 19. The symposium focused on government coordination of Iraq's oil expansion plans, according to a Ministry of Oil statement. All involved oil companies, as well as several local government officials, were invited to attend. The symposium was expected to produce guidelines and recommendations on how to best move forward on signed oil deals that would require Iraq's oil production capacity to increase to over 12 million barrels per day (bpd) from its current capacity of 2.5 million bpd.

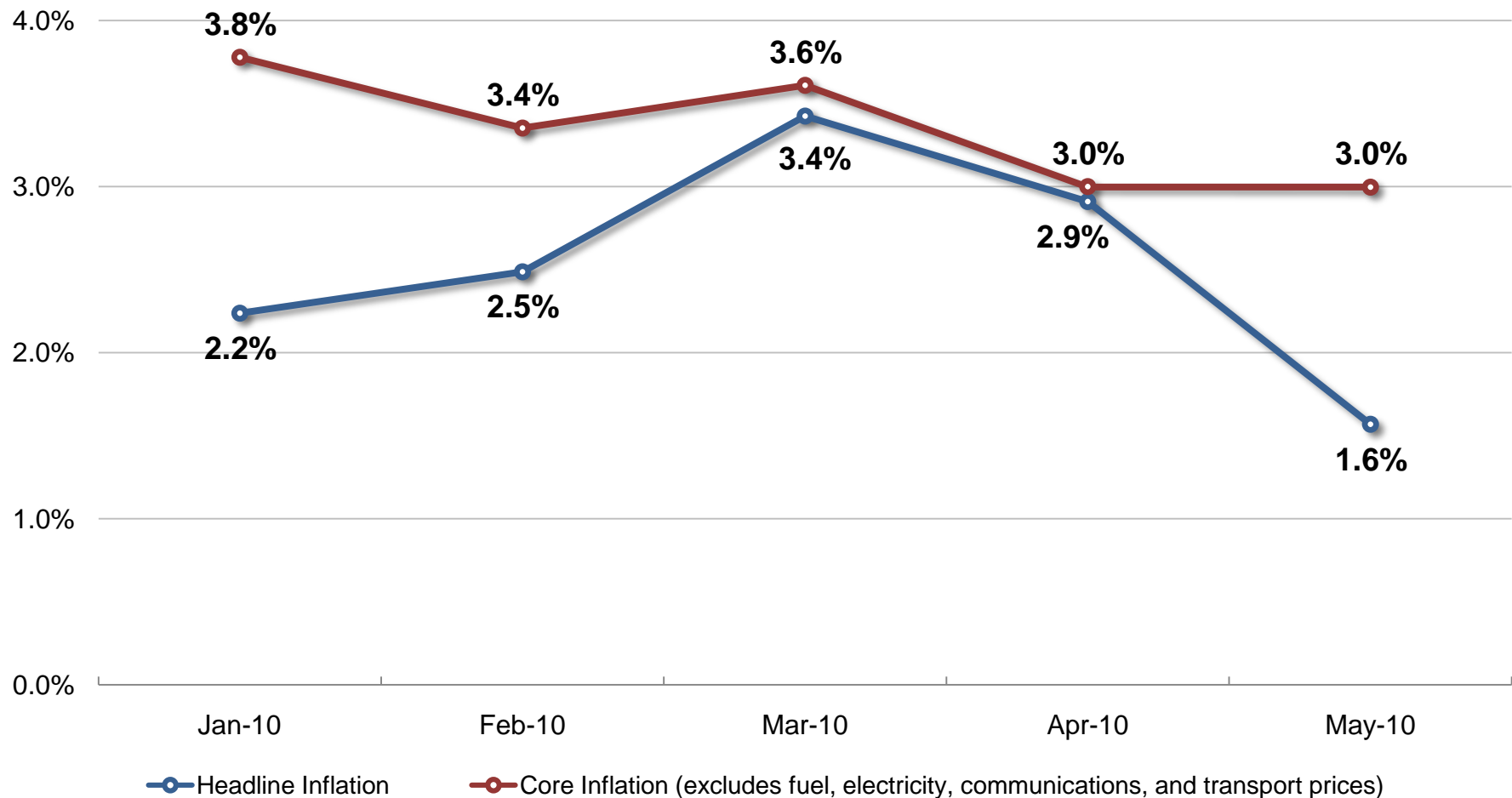
Oil Companies Continue Making Progress in Developing Iraq's Oil Fields:

- During a two-day oil symposium hosted by the Ministry of Oil on July 18 and 19, several oil firms announced progress on increasing oil production in Iraq. Exxon Mobil Corporation said a study on a uniform water injection system would be ready in September. Eni SpA announced it planned to award a tender to drill over 100 new oil wells in the Zubair oil field in August. An executive from Lukoil also announced the company planned to invest nearly \$5 billion in developing the West Qurna Phase 2 oil field.

ECONOMIC – Fiscal and Monetary Affairs



Iraq: Year-on-Year Inflation



• In 2010, the Central Bank of Iraq began using a new Consumer Price Index. As a result, year-on-year inflation data prior to January 2010 cannot be directly compared.

ECONOMIC – Fiscal and Monetary Affairs

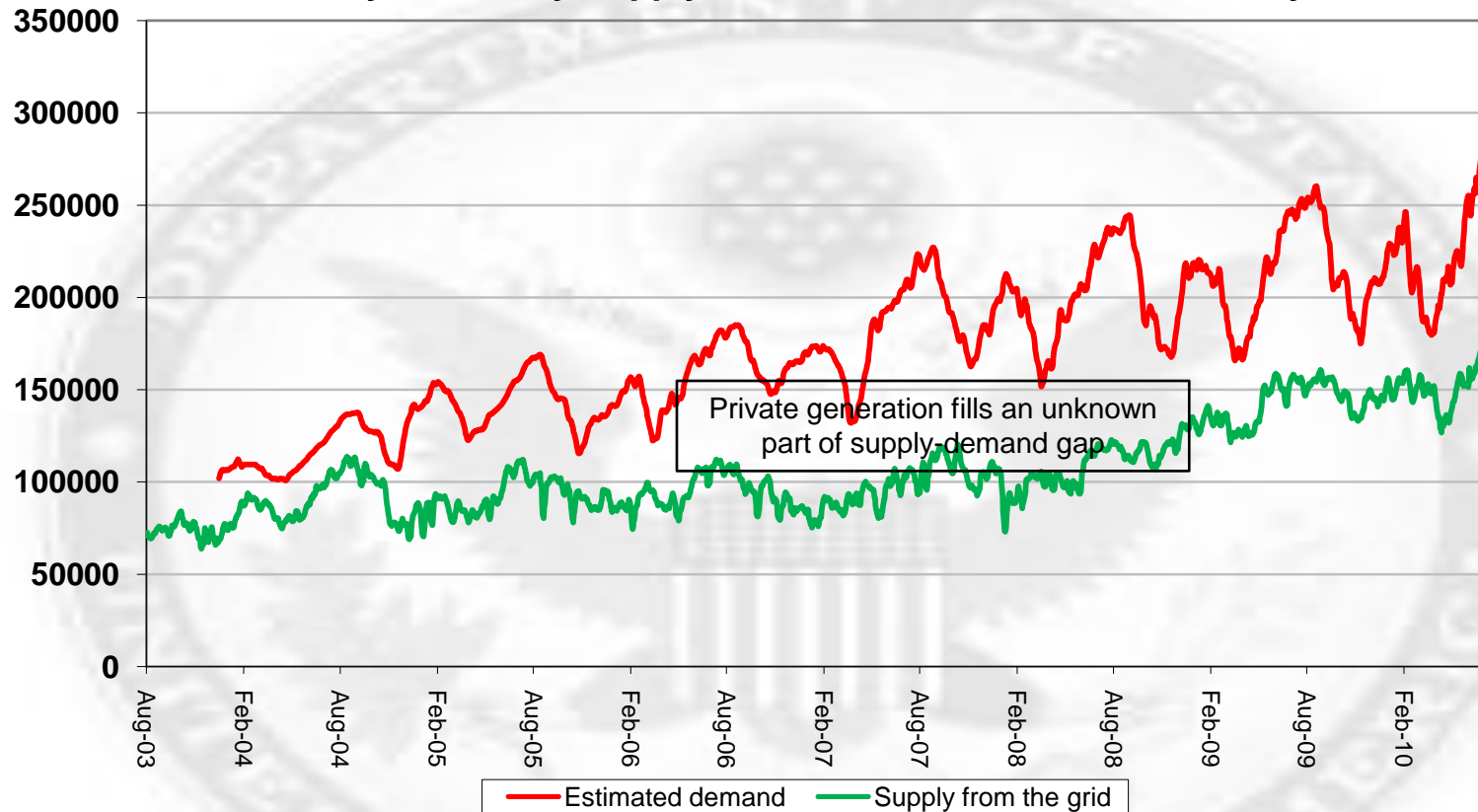


Economic Indicator	This Week	Last Week	Last Month	Last Year
Iraqi Debt Swap Bond Prices and Yields				
Price (USD)	\$83.59	\$81.88	\$82.74	\$64.50
Yield	7.50%	7.70%	7.55%	10.32%

Public Services – Electricity



Daily Electricity Supply from the Grid and Estimated Daily Demand



- Electricity supply from the grid July 6-12 was 2% above the same period in 2009.
- The modest increase in supply was swamped by a 27% growth in estimated demand, driven by record high temperatures. Supply from the grid met 52% of estimated demand, down from 64% for the year-earlier period.

DIPLOMATIC – Political Engagement



Foreign Minister Zebari visits the United States

FM Zebari Attends JCC in Washington, DC:

- The second round of meetings of the Joint Coordinating Committee (JCC) between Iraq and the United States was held on July 13 in Washington, DC. Foreign Minister Hoshiyar Zebari represented Iraq while Assistant Secretary of State Jeffrey Feltman represented the United States. Both parties expressed their satisfaction with the level of bilateral cooperation and coordination provided by the Joint Commission on the basis of the Strategic Framework Agreement between Iraq and the United States.

Beyond Baghdad



Books being donated to Wasit University

Wasit

“...we will help Iraq's institutions strengthen their capacity to protect the rule of law, confront corruption, and deliver basic services.”

President Barack Obama

Recent Highlights

The Rule of Law section of the Wasit PRT delivered 416 Arabic-language legal texts to the Wasit University Law School. Assistant Dean Hazim expressed his deep appreciation for the PRT's generosity and said that the addition would help bring the research library up to 75% of its intended capacity. The Law School's first class of attorneys graduated last month, with 51 female students in a class of 82 graduates.

Dhi Qar

The Mittica Training Center hosted 65 women for a recent conference on gender-related health disparities. The conference focused on women's health, particularly in remote areas with limited or no health care providers. Participants discussed women's health issues, methods of improving outcomes, and the creation of a strategic plan to help bridge the health disparities between genders. The event brought in three television crews and generated significant local media attention.



CONTACT INFORMATION

This brief draws from multiple sources. References are cited on the following pages.

For additional information, please see:

- Department of State, Section 2207 Report on Iraq Relief and Reconstruction
<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of State, Section 1227 Report on Iraq
<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of Defense, Section 9010 Measuring Stability and Security in Iraq
http://www.defenselink.mil/home/features/Iraq_Reports/index.html

Please forward all questions and/or comments to:

NEA-I-IPOG-DL@state.gov



NOTES AND SOURCE CITATIONS (1 of 2)

Slide 4:

- New York Times, July 20, http://www.nytimes.com/2010/07/20/world/middleeast/20iraq.html?_r=1&ref=world

Slides 5-8:

- Department of State, NEA Political Section, NEA-I-POL-DL@state.gov

Slide 9:

- USF-I, July 15, <http://www.usf-iraq.com/news/press-releases/iraqis-take-over-last-major-us-operated-detention-facility>
- AFP, July 14, http://www.google.com/hostednews/afp/article/ALeqM5iL6vLUOFp-MXAsPP_t4ycYgPrqOA

Slide 10:

- Washington Post, July 19, <http://www.washingtonpost.com/wp-dyn/content/article/2010/07/18/AR2010071800825.html?hpid=moreheadlines>

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- Department of State, NEA/I Economics Section, NEA-I-ECON-DL@state.gov

Slide 12:

- Wall Street Journal, July 15, <http://online.wsj.com/article/BT-CO-20100715-708306.html>
- Wall Street Journal, July 19, http://online.wsj.com/article/SB10001424052748704875004575374983987411158.html?mod=WSJ_World_LEFTSecondNews

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Slide 16:

- Iraqi Ministry of Foreign Affairs, July 14, <http://www.mofa.gov.iq/english/news/display.aspx?NewsID=8820>

Slide 17:

- Source for Stories: PRT Weekly LOO, Rule of Law, June 12-18, 2010
- PRT Weekly LOO, Political Development and National Unity, June 12-18, 2010
- Source for President Obama's Quote: http://www.whitehouse.gov/the_press_office/Remarks-of-President-Barack-Obama-Responsibly-Ending-the-War-in-Iraq/
- Source for photograph: http://www.spiritofamerica.net/cgi-bin/soa/site.pl?rm=page&page_id=854